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State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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DOGM
MINERALS PROGRAM
FILE COPY

January 12, 1990

Mr. Carl Dixon
Atlas Minerals
P. O. Box 1207
Moab, Utah 84532

Dear Carl:

Re: Reclamation Responsibilities at Remaining Atlas Sites, Atlas Minerals, M/019/009, M/037/007, M/037/024, Grand and San Juan Counties, Utah

I have enclosed a copy of the transfer document for the Probe mine, as per your request. You indicated that you have received the transfer documents for the Four Corners and the Snow mines. I mentioned that you should receive copies of the Reclamation Contract as well. This was incorrect; the Reclamation Contract was sent only to San Rafael Energy, Inc., since they are the new operators. Atlas should have no use for these new contracts at this point in time.

The Division's records show that only three Atlas sites remain to be removed from the reclamation obligation list in Utah. They are the Cactus Rat, the Happy Jack and the Radium King.

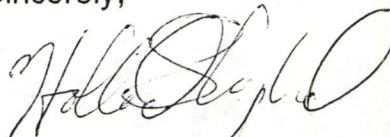
We will no doubt finish up the release of the Cactus Rat by February of 1990. I still have to work up reclamation estimates for the Happy Jack and the Radium King. These I hope to have to Mr. Joe Beirschied by the end of January. If we have all the paper work in hand by February 8th, we will be able to transfer the operator obligation on these two sites from Atlas to San Rafael Energy, Inc.

At this time, our records show Atlas' remaining reclamation obligation to be approximately \$92,071 for the Cactus Rat, Radium King and Happy Jack sites. This figure is based on Atlas' original 1977 Board Contracts with this Division.

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Carl Dixon
Atlas Minerals
January 12, 1989

If you have further questions, please contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Holland Shepherd".

Holland Shepherd
Reclamation Specialist/
Permit Lead

jb
Enclosure
cc: Richard Blubaugh, Atlas Corp., Denver
Wayne Hedberg
MN5/168-169